



STATE OF ARKANSAS

MIKE BEEBE
GOVERNOR

May 23, 2011

Chairman Julius Genachowski
Commissioner Michael J. Copps
Commissioner Robert M. McDowell
Commissioner Meredith Attwell Baker
Commissioner Mignon Clyburn
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: WT Docket 11-65

Dear Mr. Chairman and Commissioners:

I write today to encourage the Federal Communications Commission to unanimously approve the proposed AT&T acquisition of T-Mobile USA. As a native of a medium-sized Arkansas community and as Governor, I am very familiar with the many benefits that mobile broadband offers. I have no doubt that this acquisition will benefit individual Arkansas consumers, small businesses, and small towns equally, as well as our largest employers and residents of our most metropolitan areas.

AT&T has demonstrated its commitment to serving our state. The company has brought wireline broadband to every central office in its Arkansas service area, including some rural exchanges with fewer than 250 access lines. AT&T has followed that effort with wireless service, including 3G, which is in place in our larger cities and in numerous smaller cities and towns.

This proposed acquisition will be even more beneficial, as it will allow AT&T to bring 4G LTE mobile broadband to an additional 55 million Americans, including many in smaller communities that are underserved today. Universal broadband access is a central goal of President Obama's vision for America, and it is vital for Arkansas; our state has more than 2.9 million residents, 1.16 million of whom live in rural areas where wireline broadband may be unavailable. In addition, the federal Centers for Disease Control and Prevention reported in late April 2011 that at least 35 percent of Arkansans have wireless phones only, reflecting a growing nationwide trend. The only way to achieve universal broadband access is to promote the expansion of 4G mobile broadband.

I have seen the map showing how this acquisition would bring 4G LTE coverage to virtually all areas of our state, and it's exciting. For Arkansans, especially those in smaller communities, 4G mobile broadband means access to state-of-the-art technology for health care, education, and other social services, as well as new jobs and economic growth.

I urge you to weigh very carefully any call to force AT&T to divest 4G spectrum, especially in Arkansas. In a previous merger, the Commission required AT&T to divest itself of some key 3G spectrum in our state. Well-intentioned though it was, that requirement did not have the desired benefits of increasing competition and consumer choice. The acquiring company did not take the steps necessary to make that spectrum available. As a result, residents in some of our state's largest cities and numerous small towns were delayed several years in gaining vital 3G access. Consumers were denied service and choice. Please work to avoid a repeat of that result, as far as 4G LTE is concerned.

One of the great opportunities for 4G usage is in agribusiness, a major employment sector and the source of 14 percent of state tax receipts in 2009. With 4G, Arkansas farmers and ranchers could use mobile technology to remotely monitor and manage livestock and poultry, improve chemical applications, and closely control irrigation systems to conserve resources. Our farm economy and the entire state would benefit.

Arkansas is home to several internationally known companies recognized for their technology leadership – from software development to the innovative use of logistics technology to medicine. We are working hard to increase Arkansas's technology-based economy, and the advanced video streaming and other real-time services that can operate over 4G networks are essential to our competitiveness. A 4G network would be a boon for telemedicine and distance learning, two areas in which Arkansas is a pioneer and leader today.

Arkansas consumers can expect to benefit in several ways: The 4G LTE network will be more reliable, faster, and support new services. Consumers will have more choices of services and new devices that go far beyond "smart phones." Telecommuting and job growth will create new career options.

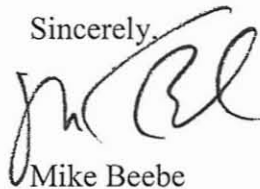
Despite what merger critics may say, history shows that wireless mergers effectively lower consumer prices. As you know, there were five major wireless mergers from 1999-2009. In 2010, the Government Accountability Office released a study showing that during the same timeframe, the overall average price of wireless services fell 50 percent when adjusted for inflation.

AT&T has a long history of investing in Arkansas and America: From 2008-2010 alone, the company invested more than \$500 million in its Arkansas networks – both

wired and wireless – and there are more than 2,400 AT&T employees working in our state today. During the recent economic downturn, AT&T remained one of the nation's largest capital investors. The T-Mobile acquisition will mean AT&T invests an additional \$8 billion in infrastructure over the next seven years. Arkansans will benefit from that investment through new education and health choices, economic growth and job opportunities, and greater choice of mobile broadband services.

I support the AT&T acquisition of T-Mobile USA and ask that you support it, as well. Thank you for your service to our country and for your careful consideration of the many benefits that will come from this acquisition.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Beebe", with a stylized flourish extending from the end.

Mike Beebe

MB:jb